



# MONTANA LEGISLATIVE BRANCH

## Legislative Fiscal Division

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Legislative Fiscal Analyst  
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EXHIBIT 5  
DATE 3-30-15  
SB 345

DATE: December 7, 2009

TO: Education and Local Government Interim Committee

FROM: Kris Wilkinson, Fiscal Analyst II

RE: Board of Public Education Accreditation Standards Fiscal Analysis

State statute requires that prior to adoption or amendment of any accreditation standard, the Board of Public Education (BPE) submits the proposed changes to the Education and Local Government Interim Committee (ELG) for review and costs analysis is requested of the Legislative Fiscal Division (LFD). During the October 2009 meeting of the ELG committee members were apprised of an issue with the BPE adopting amendments to the accreditation standards prior to the finalization of the LFD cost analysis.

Staff from the LFD, Legislative Services Division, Office of Public Instruction, and the Board of Public Education met to outline a process to address the concerns with the current process as they relate to timing of the review. Under the current process, the Board of Public Education was not provided the cost assumptions. The LFD received the cost assumptions for the math accreditation standards after the Board of Public Education formally adopted the changes.

Figure 1 Process for Fiscal Analysis of Proposed Accreditation Standards Board of Public Education Meetings			
	Meeting 1	Meeting 2	Meeting 3
	Information	Notice of Proposed Rulemaking	Adoption of Rule
Prior to meeting:	BPE sends letter to the Education and Local Government Committee to communicate the planned process and timeline for adoption of the content and performance standard.		BPE holds public hearing to receive input on the proposed standards.
At Meeting	OPI presents cost assumptions to BPE along with draft version of standards.	Any revisions of proposed standards and cost assumptions are presented to the BPE. BPE approves notice of proposed rulemaking, which begins the formal rulemaking process.	LFD fiscal analysis is presented to the BPE.
Meeting Follow-up	BPE sends letter to ELG with draft cost assumptions. ELG requests LFD Analysis.	LFD prepares its fiscal analysis of the proposed rules.	If the proposed standard is substantially changed from the NPRM version, the LFD will revise its analysis and present its conclusions to the BPE in a conference call prior to the next scheduled BPE meeting.

As shown in Figure 1, the cost assumptions associated with the changes will now be presented to the Board of Public Education as part of the draft version of the standards in the first informational meeting. Following the meeting the BPE will send the ELG a letter including the cost assumptions.

At the next scheduled meeting, the BPE will review revisions to the proposed standards and costs assumptions and adopt a notice of proposed rulemaking. At this time the LFD will prepare its fiscal analysis of the proposed standards.

At the final meeting, the LFD will present its fiscal analysis to the BPE. If the BPE substantially changes the standard from the standard discussed in the meeting on the notice of proposed rulemaking, the BPE will delay adoption of the standard. The LFD will then complete a revised cost analysis and present the new analysis during a conference call with the BPE prior to its next scheduled meeting. Should the analysis show a substantial cost, the BPE will delay implementation until July 1 following the next legislative session.